NOTICE OF SALE

PUBLIC AUCTION SALE OF GOVERNMENT LAND ON THE ISLAND OF OAHU

DATE & TIME: Wednesday, October 30, 2002, at 10:00 a.m., or as soon thereafter

as practicable.

PLACE: Kakuhihewa Building, State Department of Transportation,

Highways Division, Right-of-Way Branch, 601 Kamokila

Boulevard, Room 111, Kapolei, Hawaii 96707.

The auction of the subject property may be canceled, postponed, or continued from time to time by public announcement to that effect by order of the Chairperson of the Board of Land and Natural

Resources.

SUBJECT PROPERTY TO BE AUCTIONED:

TWO (2) PARCELS & EXISTING IMPROVEMENTS TO BE

SOLD TOGETHER "AS IS"

LOCATION: 3860 Old Pali Road, Nuuanu, Honolulu, Island of Oahu, Hawaii,

Parcels 24-C and 24-D, as shown and described on the right-of-way map for the highway project known as Pali Road, Federal Aid Project No. BF-BU-061-1(2), filed at the Highways Division and further identified by Tax Map Key (1) 1-9-05:004 and 1-9-08:039, respectively, together with reservations, restrictions, easements,

and encumbrances of record.

AREA: Parcel 24-C, containing an area of 4.7406 acres or 206,499 square

feet and Parcel 24-D, containing an area of 12,000 square feet.

UPSET PRICE: \$ 1,800,000.00

USE: Residential, Zoned R-10. The property is listed on the **National**

and State Registers of Historic Places. Uses of, improvements, modifications, or repairs to, or new construction upon, the subject

property are <u>subject to review and approval by the Historic</u>
<u>Preservation Division of the Department of Land and Natural</u>
<u>Resources</u> and must comply with all applicable laws, statutes, ordinances, rules, regulations, and guidelines of the federal, state,

and county governments. Deed restrictions and historic

designation shall run with the land.

REVIEW OF PUBLIC AUCTION PACKET CRITICAL:

IT IS IMPERATIVE THAT EVERY PROSPECTIVE BIDDER FOR THE SUBJECT PROPERTY INSPECT, CAREFULLY READ, AND FULLY UNDERSTAND THE COVENANTS, TERMS, RESERVATIONS, AND CONDITIONS CONTAINED IN THE PUBLIC AUCTION PACKET FOR THE SUBJECT PROPERTY AVAILABLE FOR PUBLIC VIEWING AND PICK-UP AT THE DEPARTMENT OF TRANSPORTATION, RIGHT-OF-WAY BRANCH, 601 KAMOKILA BOULEVARD, ROOM 691, KAPOLEI, 96707, ISLAND OF OAHU ("DOT"), OR AT THE DEPARTMENT OF LAND AND NATURAL RESOURCES, LAND DIVISION, 1151 PUNCHBOWL STREET, ROOM 220, HONOLULU, 96813, ISLAND OF OAHU ("DLNR"). THE PUBLIC AUCTION PACKET MAY ALSO BE VIEWED AT OR DOWNLOADED FROM THE DOT WEBSITE AT "www.state.hi.us/dot/publicaffairs/sales".

EACH PROSPECTIVE BIDDER EITHER PICKING UP A PUBLIC AUCTION PACKET OR DOWNLOADING IT FROM THE DOT WEBSITE SHALL NOTIFY THE DOT IN WRITING OF AT LEAST THE FOLLOWING INFORMATION REGARDING THE PROSPECTIVE BIDDER: (1) NAME AND IDENTITY (AND NAME OF REPRESENTATIVE IF DIFFERENT FROM THE NAME OF THE PROSPECTIVE BIDDER), (2) MAILING ADDRESS, AND (3) PHONE, FAX, OR PAGER NUMBERS OR EMAIL ADDRESSES. IF THE PROSPECTIVE BIDDER PICKING UP OR DOWNLOADING THE PUBLIC AUCTION PACKET FAILS TO SO NOTIFY THE DOT, THE DOT WILL NOT BE ABLE TO CONTACT THE PROSPECTIVE BIDDER REGARDING ANY CHANGES IN THE PUBLIC AUCTION PACKET, INCLUDING, WITHOUT LIMITATION, CHANGES IN THE TIMES OR DATES OF THE AUCTION, INSPECTIONS, OR DEADLINES FOR SUBMITTALS.

PROSPECTIVE BIDDERS APPEARING AT THE PUBLIC AUCTION OF THE SUBJECT PROPERTY, WHETHER IN PERSON OR BY A REPRESENTATIVE, SHALL BE DEEMED TO HAVE READ AND FULLY UNDERSTOOD ALL OF THE COVENANTS, TERMS, RESERVATIONS, AND CONDITIONS CONTAINED IN THE PUBLIC AUCTION PACKET. BY SUBMITTING A BID, THE BIDDER AGREES TO, SHALL BE BOUND BY, AND SHALL COMPLY WITH ALL OF THE COVENANTS, TERMS, RESERVATIONS, AND CONDITIONS CONTAINED IN THE PUBLIC AUCTION PACKET.

THE PUBLIC AUCTION PACKET SHALL CONSIST OF DOCUMENTS ENTITLED AS FOLLOWS: (1) NOTICE OF SALE, (2) NOTICE OF INTENT TO BID (INCLUDING A PREQUALIFICATION APPLICATION, TAX CLEARANCE APPLICATION FORM, AND AFFIDAVIT), (3) CONDUCT OF SALE, (4) MEMORANDUM OF SALE, (5) PURCHASE AGREEMENT, (6) QUITCLAIM DEED, (7) CONVEYANCE TAX CERTIFICATE, (8) GRANT OF EASEMENT, AND (9) DESCRIPTIONS AND MAPS OF THE SUBJECT

PROPERTY (HEREAFTER COLLECTIVELY REFERRED TO AS THE "PUBLIC AUCTION PACKET").

PRIOR TO BEING PERMITTED TO SUBMIT BIDS AT THE PUBLIC AUCTION OF THE SUBJECT PROPERTY, ALL BIDDERS MUST MEET AND SATISFY, TO THE STATE'S SATISFACTION, ALL OF THE QUALIFICATIONS AND REQUIREMENTS CONTAINED HEREIN AND AS SET FORTH IN THE PUBLIC AUCTION PACKET, INCLUDING THE CONDUCT OF SALE DOCUMENT. BY NO LATER THAN OCTOBER 18, 2002, ALL PROSPECTIVE BIDDERS SHALL PROPERLY COMPLETE AND SUBMIT A NOTICE OF INTENT TO BID, INCLUDING THE COMPLETED PREQUALIFICATION APPLICATION FORM, REQUISITE TAX CLEARANCES AND NOTARIZED AFFIDAVIT. THE STATE SHALL (A) EVALUATE EACH NOTICE OF INTENT TO BID, (B) DETERMINE WHETHER THE PROSPECTIVE BIDDER HAS SATISFIED ALL OF THE REQUISITE QUALIFICATIONS AND REQUIREMENTS, AND (C) NOTIFY EACH PROSPECTIVE BIDDER ACCORDINGLY.

PRESENCE REQUIRED: In order to submit bids, each qualified bidder or their legal

representatives must be present in person at the public auction. Bidders shall be required to register at the public auction site between 9:00 a.m. and 10:00 a.m. on October 30, 2002.

RESERVATIONS: All surface and ground waters and minerals are reserved to the

State of Hawaii. The subject property is also subject to rights of native tenants and regulatory rights and ownership rights (if any) of the State of Hawaii established pursuant to state law, including, without limitation, Chapter 6E, Hawaii Revised Statutes, over burial sites and prehistoric and historic remains found in, on, or

under the subject property.

NO DISCRIMINATION: Use and enjoyment of the subject property shall not be in support

of any policy which discriminates against anyone based upon race, creed, sex, color, national origin, religion, marital status, familial

status, ancestry, physical handicap, age, HIV (human

immunodeficiency virus) infection, or a disability as defined in the

Americans with Disabilities Act of 1990.

HAZARDOUS

MATERIALS: A survey of environmental conditions on the subject property was

completed on behalf of the State. The survey covered

asbestos-containing building materials, lead-based paint, drinking

water quality, polychlorinated biphenyls (PCBs),

mercury-containing light tubes, and underground storage tanks. The complete survey, including results and recommendations, is available for public viewing at the offices of the DOT and the

DLNR designated herein.

CONDITION:

Caveat Emptor (Let the buyer beware). The subject property is offered "as is", "where is" and with no representations or warranties of any kind whatsoever and the property shall be conveyed by Quitclaim Deed, the form of which is attached to the Public Auction Packet.

NON-QUALIFYING CRITERIA:

Any person who falls into one of the following categories shall not be permitted to submit bids for the subject property at the public auction:

- 1. Is in arrears in payment of taxes, rents, or other obligations owing to the State of Hawaii or to any of its political subdivisions.
- 2. Has had during the five (5) years preceding the date of the public auction, a previous sale, lease, license, permit, or easement covering public lands canceled for failure to satisfy the terms, conditions, and covenants thereof.
- 3. Is a minor.
- 4. Fails, prior to the auction or upon demand by the Chairperson of the Board of Land and Natural Resources or the Chairperson's agent, to submit the required deposit to the State prior to the start of bidding in the form of <u>cash or certified or cashier's check</u> in the amount of \$180,000.00, which is ten percent (10%) of the upset price as set forth in this Public Auction Packet.

SALE TERMS & PROCEDURE:

The public auction sale procedure, terms and conditions are contained in the Public Auction Packet (see <u>Conduct of Sale</u> Document), all of which are on file and open to public inspection and available for pick-up at the offices of the DOT and the DLNR designated herein.

ALL PROSPECTIVE BIDDERS ARE INSTRUCTED TO THOROUGHLY REVIEW AND UNDERSTAND THE PUBLIC AUCTION PACKET IN ITS ENTIRETY AND TO INSPECT THE SUBJECT PROPERTY TO BE SOLD, PRIOR TO THE DATE OF THE PUBLIC AUCTION. THE SUBJECT PROPERTY SHALL BE AVAILABLE FOR INSPECTION ON THE FOLLOWING FRIDAYS BETWEEN THE HOURS OF 1:00 P.M. AND 4:00 P.M.: AUGUST 23, AUGUST 30, SEPTEMBER 13, SEPTEMBER 27, OCTOBER 4, AND OCTOBER 11, 2002. PUBLIC AUCTION PACKETS WILL ALSO BE AVAILABLE FOR PICK-UP AT THE SUBJECT PROPERTY ON EACH

INSPECTION DATE BETWEEN 1:00 P.M. AND 4:00 P.M. ALL PROSPECTIVE BIDDERS MUST PROPERLY COMPLETE AND SUBMIT THE REQUISITE NOTICE OF INTENT TO BID TO THE DOT NO LATER THAN 4:30 P.M. ON OCTOBER 18, 2002.

DATED at the Office of the Chairperson of the Board of Land and Natural Resources, State of Hawaii, this 24th day of July, 2002.

STATE OF HAWAII BOARD OF LAND AND NATURAL RESOURCES

GILBERT S. COLOMA-AG

Chairperson

ADVERTISE:

(Name of paper and dates advertised)